



General Assembly

February Session, 2006

Raised Bill No. 438

LCO No. 2262

02262_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

***AN ACT CONCERNING STATEMENTS MADE IN APPLICATIONS FOR
INDIVIDUAL HEALTH INSURANCE POLICIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-485 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2006*):

3 (a) The insured shall not be bound by any statement made in an
4 application for an individual health insurance policy unless a copy of
5 such application is attached to or endorsed on the policy when issued
6 as a part thereof. If any such policy delivered or issued for delivery to
7 any person in this state is reinstated or renewed, and the insured or the
8 beneficiary or assignee of such policy makes written request to the
9 insurer for a copy of the application, if any, for such reinstatement or
10 renewal, the insurer shall, within fifteen days after the receipt of such
11 request at its home office or any branch office of the insurer, deliver or
12 mail to the person making such request, a copy of such application. If
13 such copy is not so delivered or mailed, the insurer shall be precluded
14 from introducing such application as evidence in any action or
15 proceeding based upon or involving such policy or its reinstatement or
16 renewal.

17 (b) No alteration of any written application for any such policy shall
 18 be made by any person other than the applicant without [his] the
 19 applicant's written consent, except that insertions may be made by the
 20 insurer, for administrative purposes only, in such manner as to
 21 indicate clearly that such insertions are not to be ascribed to the
 22 applicant.

23 (c) The falsity of any statement in the application for any policy
 24 covered by sections 38a-481 to 38a-488, inclusive, as amended, [may]
 25 shall not bar the right to recovery [thereunder] under such policy
 26 unless such false statement was made by an applicant who knew or
 27 should have known the statement was false and such statement
 28 materially affected either the acceptance of the risk or the hazard
 29 assumed by the insurer.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2006	38a-485
-----------	--------------	---------

Statement of Purpose:

To provide that health insurance carriers may refuse insurance coverage if the applicant's application contains deliberately deceptive misstatements and such misstatements materially affected the insurer's acceptance of the risk or the hazard assumed by the insurer.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]